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STATE OF WASHINGTON



OFFICE OF INSURANCE COMMISSIONER

BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF WASHINGTON

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Disclosure Officer, Steve Carlsberg, 360-586-0691, or by e-mail: stevec@oic.wa.gov.

In the Matter of)	No. D 2000 - 18
Mayo Foundation for Medical Education and Research)	STIPULATION, FINDINGS, CONSENT AND ORDER
)	
Rochester, Minnesota)	

The Mayo Foundation for Medical Education and Research is a charitable organization and has been issuing charitable gift annuities in the State of Washington, and is therefore governed by Title 48 RCW.

This administrative action is based on allegations by the Commissioner's staff that the Mayo Foundation for Medical Education and Research violated RCW 48.05.030 and Chapter 48.38 RCW, by the activity described in the following numbered paragraphs. To resolve only the issues identified in the following numbered paragraphs, to eliminate the necessity for a hearing, and as a negotiated settlement of the Commissioner's allegations, the Mayo Foundation for Medical Education and Research has voluntarily executed the Consent to Order contained herein and stipulates to the entry of the Order contained herein.

STIPULATIONS

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1. RCW 48.05.030 provides that no person shall act as an insurer nor transact insurance in this state other than as authorized by a certificate of authority issued to it by the Commissioner.

- 2. RCW 48.11.020 defines life insurance as including the granting of annuities.
- 3. Chapter 48.38 RCW provides that certain charitable organizations upon complying with the provisions of the Chapter may, after receiving a certificate of exemption from the Commissioner, conduct a charitable gift annuity business and be exempted from most of the provisions of Title 48 RCW.
- 4. Beginning in November 1990 the Mayo Foundation for Medical Education and Research has issued 3 annuities without having been properly licensed to do so.

FINDINGS

- 1. The Commissioner finds that the Mayo Foundation for Medical Education and Research, by and through the conduct described above, has violated RCW 48.05.030 and Chapter 48.38 RCW.
- 2. The Commissioner further finds that RCW 48.38.050 authorizes the Commissioner to refuse to issue a Certificate of Exemption to the Mayo Foundation for Medical Education and Research, for failing to comply with the provisions of Chapter 48.38 RCW.
- 3. The Commissioner further finds that RCW 48.38.050 authorizes, that in lieu of the refusal to issue a Certificate of Exemption, the Commissioner may assess a fine of not more than \$10,000.

CONSENT TO ORDER

Based on the above and foregoing stipulations, the Mayo Foundation for Medical Education and Research consents to pay the sum of \$250 being the \$25 annual fee for the 10 years it would have had to pay the fee if had been properly licensed, the sum of \$15 being the \$5 fee for each annuity that it issued if it had been properly licensed, and a fine in the amount One Hundred Dollars and 00/100 (\$100), for a total amount of \$365.

Based on the above and foregoing stipulations, the Mayo Foundation for Medical Education and Research voluntarily consents to the following order to resolve the issues and alleged conduct described herein and with the understanding that the payment of the amount levied against the Mayo Foundation for Medical Education and Research is a condition of the issuance of a Certificate of Exemption to the Mayo Foundation for Medical Education and Research for the conduct described herein.

Based on the above and foregoing stipulations, the Mayo Foundation for Medical Education and Research acknowledges its duty and obligation to fully comply with the applicable laws and regulations of the State of Washington.

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	Signed	I this	day of	2000.			
Mayo Foundation for Medical Education and Research							
	by:						
	Title: _						
ORDER							
IT IS ORDERED that pursuant to R Consent to Order, the Mayo Foundathe amount of Three Hundred Sixty the foregoing Stipulation.	ation for Me	edical Educ	cation and Rese	arch pay a total sum in			
IT IS FURTHER ORDERED that in the event that this sum is not paid within 30 days from the date of this order, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General, pursuant to RCW 48.05.185.							
SIGNED AND ENTERED THIS	day of		2000.				
		DEBORA	AH SENN				
		Insurance	e Commissioner				
		Ву:					
		JAMES T	. ODIORNE				
		Deputy C	Commissioner				